

21st Century Medicare: More Choices — Better Benefits

NEW PREVENTIVE BENEFITS

Sections 611, 612, 613

Under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), beginning in 2005, all newly enrolled Medicare beneficiaries will be covered for an initial physical examination, all beneficiaries will be covered for cardiovascular screening blood tests, and those at risk will be covered for a diabetes screening test.

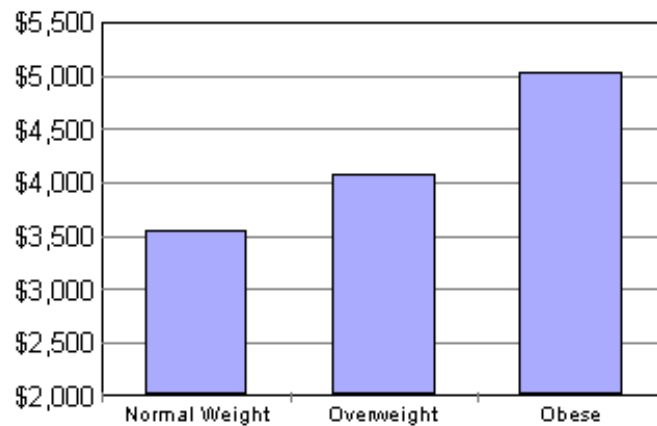
- **Welcome to Medicare Physical.** The initial preventive physical exam includes measurement of height, weight and blood pressure, and an electrocardiogram, as well as education, counseling and referral related to other preventive services covered by Medicare including vaccinations, screening mammography, screening pap smear and pelvic exam, prostate cancer screening, colorectal cancer screening, diabetes self-management, bone mass measurement, glaucoma screening, medical nutrition therapy, cardiovascular screening, and diabetes screening.
- **No Beneficiary Costs for Some Tests.** The cardiovascular screening blood tests and the diabetes screen do not have deductible or co-pays (since Medicare pays 100 percent for clinical laboratory tests), so beneficiaries do not incur any cost. This is an additional incentive for those with limited resources who might not otherwise access these benefits.

These new benefits can be used to screen Medicare beneficiaries for many illnesses and conditions that, if caught early, can be treated and managed, and can result in far fewer serious health consequences. Such conditions as obesity, diabetes, heart disease, and asthma could be made far less severe for millions of Medicare beneficiaries.

- For example, approximately 129 million U.S. adults are overweight or obese which costs between \$69 billion to \$117 billion per year. Obesity also has a significant impact on Medicare beneficiaries' quality of life and on Medicare spending, as indicated in the chart below. For the period between 1996 and 1998, a 15 percent increase in annual per capita Medicare spending is attributable to being overweight, and a 37 percent increase is attributed to being obese¹. By providing an initial physician examination for all newly enrolled Medicare beneficiaries, seniors and disabled Americans will have the opportunity to discuss with their physician the importance of preventive care and living a healthy lifestyle.

¹ Finkelstein EA, Fiebelkorn IA, Wang G. "National medical spending attributable to overweight and obesity: how much, and who's paying?" Health Affairs-Web Exclusive. 2003 Project Hope.

Per Capita Medicare Spending, 1996-1998



- Additionally, in 2000, an estimated 17 million people (6.2 percent of the population) had diabetes, costing the U.S. approximately \$132 billion.
- Heart disease and stroke are the first and third leading causes of death in the United States. In 2003 alone, 1.1 million Americans will have a heart attack. Cardiovascular diseases cost the U.S. more than \$300 billion each year.
- Approximately 23 million adults and 9 million children have been diagnosed with asthma at some point within their lifetime, with costs near \$14 billion per year.
- Smaller amounts might be spent preventing these conditions. There is accumulating evidence that much of the morbidity and mortality associated with these chronic diseases may be preventable. Making an initial health screening available to all new Medicare beneficiaries could result in Medicare spending less overall to treat beneficiaries with these conditions.